

**STATEMENT OF**

**LIEUTENANT GENERAL JOHN M. McDUFFIE, USA**

**DIRECTOR FOR LOGISTICS**

**J-4**

**BEFORE THE SENATE ARMED SERVICES COMMITTEE**

**SUBCOMMITTEE ON MILITARY HEALTH CARE**

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On 8 February, the Chairman of Joint Chiefs of Staff testified that we were in the midst of a long-term program to restructure the military medical community's ability to better support its wartime mission and assess whether our managed health care system – TRICARE – was meeting its twin goals of improving access and holding down costs. We ask our service members to be ready to serve anywhere; they and their families deserve no less than an adequate health care system.

In survey after survey, we have learned that TRICARE simply is not user-friendly. While service members and their families are normally pleased with the care they receive from doctors, nurses, and other health care providers, they are frustrated by other aspects of TRICARE. It is, quite frankly, immensely complex, administratively confusing, and not customer-friendly. Due to the region-based structure of TRICARE, there is no consistency or standardization for appointments, benefits, claims, and enrollments across duty stations.

To significantly improve how we meet the health needs of both our active duty and retired service members, and their families, the Chairman and the Service Chiefs are recommending a phased approach. In the near term, we would include implementing business practice improvements and fully funding the Defense Health Program. Several of these improvements are already underway and include: automatic enrollment for all Active Duty Family Members into TRICARE Prime and making easy-to-understand enrollment materials available across all TRICARE regions. To ensure that all of our

members know who is responsible for their care, those enrolled in TRICARE Prime will know who their Primary Care Manager (PCM) is by name. Active duty members and their families assigned to remote areas need to have the peace of mind that the same benefit will be provided to them regardless of where they are located. Additionally, members with complex illnesses and extensive treatment plans require clinical case management experts to help the patient successfully navigate the system, reducing delay and frustration while ensuring quality and continuity of care. Finally, TRICARE requires that members re-enroll every time they transfer from region to region. Enrollment in one region must be honored in all regions.

The claims process is another major source of frustration for our Active Duty members and their families. We must have a system that ensures the government, not the beneficiary, receives the bills. Additionally, the protracted time it takes contractors to pay provider bills creates a disincentive for providers to remain in the network. The Joint Staff is working closely with Dr. Sue Bailey, ASD (Health Affairs), to fix or remove these major irritants.

In the near-term, the Joint Chiefs would like to see improvements in the overall health care benefit. For years our recruiters have promised health care for life for career members and their families. As we all know, that is not what they receive. To honor this promise, the President's budget includes the expansion of TRICARE Prime Remote for active duty family members and the elimination of co-pays for all active duty family members enrolled in the TRICARE Prime network.

The Chiefs and the Chairman recognize the compelling need to provide more comprehensive coverage for our retirees and their family members. Where specific TRICARE coverage is not available, we must offer them other benefits. Our intent is to reduce out-of-pocket expenses.

Let me stress that the Joint Chiefs' commitment to quality healthcare for all military members, including retirees, remains firm. Keeping our promise of ensuring quality healthcare for military retirees is not only the right thing to do, it also is a pragmatic decision because it sends a strong signal to all those considering a career in uniform.